

Approved by  
Resolution N 224/02-231120 of  
The Executive Board of ARMECONOMBANK  
Dated 23 November 2020

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*Terms and conditions included in Bulletin may have changed.*  
*For details please call:*  
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**INFORMATION BULLETIN OF  
“BENEFICIAL” TERM DEPOSIT**

**YEREVAN 2020**

1. Name: ARMENIAN ECONOMY DEVELOPMENT BANK OPEN JOINT STOCK COMPANY  
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1. The Bank attracts deposits from physical entity customers under the below mentioned terms:

TERM 367 days					
Currency	Minimum amount	Maximum total amount	Payment of interest amount	Nominal interest rate	Annual percentage yield
AMD	100,000	50 mln	monthly	8.3%	8.62%
			quarterly	8.4%	8.67%
			at the end of tenor	8.5%	8.5%
USD	200	100,000	monthly	3.60%	3.60%
			quarterly	3.65%	3.69%
			at the end of tenor	3.80%	3.80%
EUR	200	100,000	monthly	1.85%	1.85%
			quarterly	1.90%	1.91%
			at the end of tenor	2.00%	2.00%

- A year is 365 days, 366-day year basis for leap year

2.1

RECALCULATED INTEREST RATE OF THE DEPOSIT DEMANDED PRIOR TO THE TERM					
Currency	Payment of interest amount	Period of the premature withdrawal of the deposit			
		30 - 90 days	91 - 182 days	183 - 274 days	275 - 366 days
AMD	monthly	4.50%	5.50%	6.25%	7.00%
	quarterly	4.50%	5.60%	6.35%	7.10%
	at the end of tenor	4.75%	5.75%	6.75%	7.50%
USD	monthly	0.40%	1.40%	2.30%	3.00%
	quarterly	0.40%	1.45%	2.35%	3.05%
	at the end of tenor	0.50%	1.50%	2.50%	3.20%
EUR	monthly	-	0.2%	0.6%	1.0%
	quarterly	-	0.2%	0.7%	1.1%
	at the end of tenor	-	0.2%	0.8%	1.3%

Based on the volume of the deposit, ARMECONOMBANK OJSC grants free plastic cards to its depositors:

a/ In case of any volume - ArCa classic cards

b/ In case of AMD 300 000 and equivalent foreign currency- Master Card standard, Master Card Gold, Cirrus Maestro, VISA classic, VISA Electron, VISA Gold cards

\* The annual percentage yield on monthly paid deposits denominated in USD, RUR and EUR is calculated based on the procedure stated by the Central Bank of RA with the following formula:

$$APY = (1 + r / n)^n - 1$$

Where,

- 1) APY – annual percentage yield
- 2) r – annual rate of simple interest
- 3) n – periodicity of interest capitalization in a year

\*\*The annual percentage yield on deposits in USD, RUR and EUR (interest paid upon the end of the tenor) is calculated with the following formula:

$$A = \frac{\sum_{n=1}^N \frac{K_n}{(1+APY)^{\frac{D_n}{365}}}}{1}$$

Where:

- 1) A - initial amount of deposit
- 2) n - current number of deposit cash flow
- 3) N - last number of deposit cash flow (including the cash flow on the deposit placement day), which denotes the expiry of term
- 4) Kn - flow of mandatory payments at the moment of deposit placement, during the process of investment or in case of capitalized interest amount
- 5) Dn – number of days passed since the deposit placement, including the regular "n" deposit cash flow. If cash flow is invested at the moment of placing deposit, D1=0
- 6) Maximum value of each range is taken into consideration for the term of deposit

**NOTE: INTERESTS ON YOUR DEPOSIT ARE CALCULATED BASED ON THE NOMINAL INTEREST RATE AND THE ANNUAL PERCENTAGE YIELD SHOWS THE INCOME YOU WOULD REALIZE, IF YOU WOULD HAVE ADDED THE RECEIVED DEPOSIT INTERESTS TO THE DEPOSIT. YOU WILL FIND THE ORDER OF CALCULATING THE ANNUAL PERCENTAGE YIELD ON [www.aeb.am](http://www.aeb.am).**

2. Accrued interests aren't capitalized and are paid to the depositor at the end of deposit agreement.
3. Interests are calculated based on the balance of placed deposit amount
4. Should the depositor demand the deposit or any part thereof prior to the term of the Agreement, the recalculation of the accrued interest of deposit shall be carried out as per the rates specified in paragraph 2.1 of this Bulletin. If the interest rate specified in paragraph 2 of this Bulletin has already been paid, then the deposit calculated at the amount of interest paid to the depositor in excess of the recalculated interest rate shall be considered refunded.
5. After the termination of the Agreement or in other circumstances arising from the Agreement, should the depositor refuse to demand the deposit, the Agreement shall be deemed prolonged as per the terms available for demand deposits unless otherwise provided by the Agreement.
6. Should the deposit or a part thereof be required within the prolonged period, after the prolongation of the deposit or a part thereof, interest amount is calculated and paid as per the rates available at the Bank for the preterm withdrawal of the given deposit at the moment of prolongation.
7. The depositor can add additional amounts to the deposit in case of Armenian dram up to the 91<sup>st</sup> day preceding deposit withdrawal (prolongation) date and in case of foreign currency - up to the 181<sup>st</sup> day and with the amounts not exceeding the total maximum amount of the deposit at the moment of placement (prolongation), against which interests shall accrue as per the rates and terms calculated for the Deposit.
8. Should the Depositor request repayment of a part of the Deposit after adding amounts to the Deposit, then shall be primarily repaid amounts added to the Deposit in reverse timing order. The recalculated interests against the early demanded deposits or a part thereof shall accrue from the day following the
9. date of adding them to the Deposit to the day preceding the date of its early repayment to the Depositor for actual calendar days elapsed. The Deposit shall be deemed repaid in the amount of interests accrued and paid to the Depositor in excess of recalculated interest rate.
10. The Bank the right to unilaterally change the interest rate to be paid against on-demand deposits.
11. With periodicity of at least 30 days, the bank shall provide the depositor with a statement on his/her deposit account in the order set by the Deposit Agreement with exception of cases when over the accounting period the account has not been debited or

credited, moreover, to provide a statement on the account within 5 days after such request by the depositor at tariffs set by the bank.

#### CALCULATION SAMPLE

Provision of account statement	0
Provision of references	AMD 5,000

Interest payment - monthly			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.3	3.60 %	1.85 %
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	375,546	326	167
RECALCULATION OF PRETERM WITHDRAWAL			
Termination term	185 days		
Interest rate	6.25%	2.3%	0.6%
Recalculated interest amount	142,551	105	27

Interest payment - quarterly			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.4%	3.65 %	1.9%
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	380,071	330	172
RECALCULATION OF PRETERM WITHDRAWAL			
Termination term	185 days		
Interest rate	6.75%	2.5%	0.75%
Recalculated interest amount	144,832	107	32

Interest payment at the end of term			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.5%	3.8 %	2%
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	384,596	344	181
RECALCULATION OF PRETERM WITHDRAWAL			
Termination term	185 days		
Interest rate	6.75%	2.5%	0.75%
Recalculated interest amount	153,955	114	36

\* -At the depositor's request, interest amounts denominated in foreign currency are paid in AMD on the following day of interest payment date, at the average exchange rate fixed in RA currency market.

- In the calculations the year is 365 days and interests are calculated taking into account the tax on income.

1. The authorities of other persons to use and manage the deposit shall be approved should such authorities be issued by a notarized power of attorney or by a written power of attorney made and signed by the depositor in the presence of the Bank's officer.
2. In case of contract disputes the depositor shall apply to the Bank in written form and will receive the reply to such request within 10 Business days. In case of disagreement with reply, the depositor has the right to apply to the court or to the Financial System Mediator.
3. The payable interest amount is subject to tax in the amount set by RA Law "On tax on income".
4. The deposit is placed with the tenor of 367 days
5. The deposits are guaranteed according to RA Law "Guaranteeing the Recovery of Deposits of Individuals"
  - In case of deposits in Armenian drams, the deposit is guaranteed for AMD 16 mln.,
  - In case of deposits in foreign currency, the deposit is guaranteed for AMD 7.0 mln.,
  - In case of deposits both in Armenian drams and in foreign currency: if AMD deposit exceeds AMD 7.0 mln., only the AMD deposit is guaranteed for up to AMD 16 mln.,
  - In case of deposits both in Armenian drams and in foreign currency: if AMD deposit is smaller than AMD 7.0 mln, the AMD deposit is guaranteed in full and the foreign currency is guaranteed for the balance of AMD 7.0 mln and recovered AMD deposit.